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January 15, 2013

To: Representative Duane Ankeny and Committee members

From: Nick R. Cladis, Cladis Investment Advisory, LLC

RE: HB 81 (Act creating a Securities Restitution Assistance Fund)

Dear Committee Members:

I urge your support of HB 81.

In 2011 the bill passed to support victims of securities fraud when there is no hope of recovery of their monetary losses.

Bad behavior in our industry is not the rule, but nevertheless unfortunately occurs, usually to people who are naïve to the persuasion of very good sales people.

Even when wrong doing is proved, funds may not be available to the victim for recovery or partial recovery.

This bill allows for a modest 4.5% of fees collected by the State Auditor's office from Investment Company issuers to be deposited to the fund, providing resources needed to help victims.

The program has had great success and has helped many victims that were subject to practices not tolerated by regulators, but unfortunately almost impossible to stop until the damage is done.

With 40 years of expertise in the securities industry I have experienced incidents that have damaged investors beyond what they understand to be their risks. Our industry is built on trust. The violation of that trust can cause financial setbacks that are life changing to many victims even if the amount may appear small to traditional lawsuits and recovery for victim.

This bill allows for a regulated source of funds and a process for a fair opportunity for victims to recover some or all of their losses.

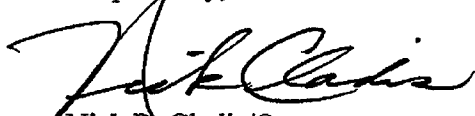
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If I can be of any further assistance, I would do all I could to be available to you and your committee members.

Please support this bill – it will help those who are damaged with little or no alternatives to recover their losses.

Respectfully,

A handwritten signature in black ink, appearing to read "Nick Cladis", written in a cursive style.

Nick R. Cladis/Owner
Cladis Investment Advisory, LLC